

FILED

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION

JAN 22 1999

PEGGY B. DEANS, CLERK
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF N.C.

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| IN RE: |) | CHAPTER 7 |
| INTERNATIONAL HERITAGE, INC. |) | CASE NO. 98-02675-5-ATS |
| INTERNATIONAL HERITAGE, INCORPORATED, |) | CHAPTER 7 |
| Debtors. |) | CASE NO. 98-02674-5-ATS |

EX PARTE
MOTION TO EXTEND TIME TO
ASSUME OR REJECT EXECUTORY CONTRACT

NOW COMES Holmes P. Harden, Trustee, in the above-captioned case, and alleges:

1. Holmes P. Harden is the duly qualified and acting trustee herein.
2. An order for relief in the above-captioned cases was entered on November 25, 1998.
3. One or both of the debtors is party to a Director and Officer's Policy ("the policy") with TIG Insurance Company.
4. Trustee is informed and believes and therefore alleges that the policy is paid up for one year. Trustee has filed a motion with this Court requesting authority to cancel the policy in order to obtain a premium refund, but the decision whether to cancel the policy or leave it in place has not been made.
5. The policy contains the right to purchase "tail coverage" for matters occurring during the policy period which might give rise to claims made after the policy period. According to Paragraph IX of the policy, the right to extend the reporting period is exercisable upon payment of an additional premium.
6. According to 11 U.S.C. § 365(d), executory contracts are deemed rejected by operation of law unless the Court extends the time within which the Trustee may assume or reject same. The time within which the Trustee may assume or reject in these cases expires on January 24, 1999.
7. Trustee does not contend or admit that the policy is executory, but Trustee believes it prudent to preserve the estate's rights to purchase tail coverage pending a determination whether to cancel the policy and apply for a refund.

WHEREFORE, Trustee prays that this Court makes its order extending the time within which he may assume or reject any executory contract existing between either or both of the Debtors and TIG Insurance Company for an additional sixty (60) days.

Respectfully submitted this 22nd day of January, 1999.

MAUPIN TAYLOR & ELLIS, P.A.

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CERTIFICATE OF SERVICE

I, Holmes P. Harden, do hereby certify that the foregoing or attached document was served upon all parties of record by mailing a copy thereof to them at the addresses indicated below with the proper postage attached and deposited into an official depository under the exclusive care and custody of the United States Postal Service in Raleigh, North Carolina, on the 22nd day of January, 1999.

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